

Following a Council Work Session meeting, the City Council Regular Session meeting was called to order at 7:00 P.M., by Mayor Jonathan Houck with Councilors Drexel, Harriman, Seymour and Nesbitt present along with City Clerk Davidson, Finance Director Hanson, one citizen and the press. City Attorney Landwehr and City Manager Coleman were absent. A Council quorum was present.

**Consideration of Minutes:****Reorganization Meeting Minutes of May 16, 2011.**

Councilor Nesbitt moved and Councilor Harriman seconded the motion to approve the Council Reorganization Meeting minutes of May 16, 2011, as submitted.

Roll call vote, yes: Drexel, Harriman, Houck, Seymour, Nesbitt. Motion carried.

Roll call vote, no: None.

**Pre-Scheduled Citizens:** None.

**Unfinished Business:** None.

**New Business:****Appointments to Fill City Commission & Board Vacancies.****Two Vacancies on the Planning & Zoning Commission.**

Councilor Nesbitt moved and Councilor Seymour seconded the motion to appoint Carolyn Riggs to a five-year term to expire May 17, 2016, on the Planning and Zoning Commission.

Roll call vote, yes: Harriman, Houck, Seymour, Nesbitt, Drexel. Motion carried.

Roll call vote, no: None.

Councilor Harriman moved and Councilor Drexel seconded the motion to appoint Stu Ferguson to the unexpired term to end May 14, 2012, on the Planning and Zoning Commission.

Roll call vote, yes: Houck, Seymour, Nesbitt, Drexel, Harriman. Motion carried.

Roll call vote, no: None.

**Three Vacancies on the Zoning Board of Adjustments and Appeals.**

Councilor Drexel moved and Councilor Nesbitt seconded the motion to appoint Wesley Bailey, Jr. and Scott Frazier to three year terms, to expire May 19, 2014, on the Zoning Board of Adjustments and Appeals.

Roll call vote, yes: Seymour, Nesbitt, Drexel, Harriman, Houck. Motion carried.

Roll call vote, no: None.

**Five Vacancies on the Building Board of Appeals.**

Councilor Nesbitt moved and Councilor Harriman seconded the motion to appoint the entire slate of Jerry Greene, Jerry Kowal, Chris Klein, John Sloan and Jeff Wilkinson, to two year terms, to expire May 20, 2013, on the Building Board of Appeals.

Roll call vote, yes: Nesbitt, Drexel, Harriman, Houck, Seymour. Motion carried.

Roll call vote, no: None.

**Action on 2011 Slurry Seal Contract.****Action on 2011 Street Improvements Contract.**

These items were discussed at the May 17, 2011, Work Session meeting.

Councilor Harriman moved and Councilor Drexel seconded the motion to award the 2011 Slurry Seal contract to Intermountain Slurry Seal at a cost of \$1.682 per square yard in an amount not to exceed \$200,000.00 and the 2011 Street Improvements Contract to United Companies in an amount not to exceed \$319,000.00.

Roll call vote, yes: Drexel, Harriman, Houck, Seymour, Nesbitt. Motion carried.

Roll call vote, no: None.

**Action on Letter to Colorado Division of Wildlife Commission; Re: Gunnison CDOW Discovery Center.** Councilor Nesbitt informed Council that Tom Speeze had called him and the meeting about the Discovery Center will be held in Grand Junction on June 9th, so we need action sooner rather than later. This will be a major economic impact to the community. Mayor Houck stated it is a great opportunity for the entire community. Councilor Nesbitt and Councilor Harriman made a couple of changes to paragraph two of the letter.

Councilor Nesbitt moved and Councilor Seymour seconded the motion to approve the Letter to the Colorado Division of Wildlife Commission regarding support for the Gunnison CDOW Discovery Center, with the requested changes, and for all of Council to sign said letter.

Roll call vote, yes: Harriman, Houck, Seymour, Nesbitt, Drexel. Motion carried.

Roll call vote, no: None.

**Ordinances and Resolutions:**

**Ordinance No. 5, Series 2011; Re: Lease/Purchase of Used 2009 Sterling Tandem Dump Truck from MacDonald Equipment; 2<sup>nd</sup> Reading.** Councilor Nesbitt introduced Ordinance No. 5, Series 2011, and it was read by title only by the Mayor.

Councilor Nesbitt moved and Councilor Harriman seconded the motion that Ordinance No. 5, Series 2011, **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GUNNISON, COLORADO, APPROVING THE TERMS AND CONDITIONS OF AN EQUIPMENT LEASE AGREEMENT DATED APRIL 22, 2011, BETWEEN THE CITY OF GUNNISON, LESSEE, AND BANK OF THE WEST, LESSOR, IN THE AMOUNT OF \$82,377.54 FOR THE PURCHASE OF A 2009 STERLING LT8500 TRUCK**, be introduced, read, passed and adopted published on second reading this 24<sup>th</sup> day of May, 2011.

Councilor Harriman pointed out a typographical error in the title. Series 2010 should read Series 2011. City Clerk Davidson stated she would correct the error. The motion first and second agreed to the change.

Roll call vote, yes: Houck, Seymour, Nesbitt, Drexel, Harriman. Motion carried.

Roll call vote, no: None.

**City Attorney:** Rod Landwehr. Not present.

**City Manager:** Ken Coleman. Not present.

**Acting City Manager:** Finance Director Wendy Hanson – Semi-Annual Department Report. Director Hanson apologized for not getting her report to Council before this evening. She briefly reviewed the report for Council. She has been monitoring the Recreation Improvements Bonds that were issued in 2007, following the City Election. The City's "A-" rating has been changed to an "A" rating by "Standard & Poors". She is working on bond arbitrage compliance. Finance Director Hanson reported the field portion of the annual audit process is complete and Mayor Houck met with the audit team last week. There have been some changes in the sales tax ordinance that has helped with collections. Director Hanson reported that some municipalities use audit teams to audit businesses for accurate sales tax payments. She has been talking with Revenue Recovery Group about their sales tax audit services. They would randomly select 5 or 10 business per year to audit. Finance Director Hanson then reviewed the City Financial Report – through April 30, 2011 – with the Council. Everything is tracking pretty much as it should. She reviewed the Special Revenue Funds and informed the new Councilors how those function. There are 38 retirees receiving benefits from the Firemen's Pension Fund. She also reviewed the Parks & Recreation Funds and how they operate with the bond requirements. Council thanked Director Hanson for her good report.

**City Clerk:** Gail Davidson - reported that the CB Brewery is out of business and has surrendered their liquor license, per State requirements. She also reminded Council about the big upcoming weekend. The Rage in the Sage events, that the City sponsors with funds and in-kind services, includes the 24 Hours of Glory Climbing event, the Sage Burner running races, the Growler mountain bike race, and the Gran Fondo bike event to Mt. CB and back.

**Non-Scheduled Citizens:** None.

**City Council Discussion, Meeting Reports, Items for Work Session:**

**Councilor Nesbitt:** reported he attended the UGRWCD meeting last night. The March snowpack is at 160%. Both Lake Mead and Lake Powell are holding steady. Councilor Nesbitt passed around a map showing the existing Water Board District representatives borders. Discussion at the meeting last night revolved around the need for a 2<sup>nd</sup> Director from the north end of the valley. State Statute allows for 15 board members. The board voted to go from 4 members in District 8 to 3 members. District 8 includes the City of Gunnison. This is a 25% loss of voting power. Discussion ensued. Councilor Nesbitt suggested City Council write a

letter to the District Judge who has to approve the District change. Councilor Nesbitt then reported he attended the drought planning workshop in Durango last week. The CWCB stated that 60% of the state has been designated as being in drought conditions as of last week. Councilor Nesbitt suggested the City take a look at doing a drought management plan. Grant monies may be available for development of the plan. The “State of the River” meeting will take place in Grand Junction on June 6<sup>th</sup>.

**Councilor Seymour:** reported he has had a light week and is looking forward to the Planning & Zoning Commission meeting tomorrow evening where they will continue work on the Land Development Code.

**Mayor Houck:** reminded everyone that City offices will be closed on Monday in observance of Memorial Day. He informed Council they have homework this week in thinking of items or topics of interest and concern to discuss at next week’s meeting. Mayor Houck reported that Jeff Moffat and Kent Meyers are finalizing the airline contracts for the RTA. It has been difficult getting responses from Continental Airlines. The bus service has been set for the summer, with 3 scheduled trips per day. The schedule is available on the RTA website.

**Mayor Pro Tem Harriman:** informed Council that she had no meetings this week. However, she did attend the State League of Women Voters convention and there was a discussion on “fracking”. It is a water issue of concern and we should be aware of the issues. She also reported there are 44 participants in the ORE Energy Smart Program. They are bringing good things to the community.

**Councilor Drexel:** gave his thanks to the Public Works Director and crew for their work on getting the streets cleaned in the Palisades Addition. This was post-crack sealing operations. The Region 10 Board meeting will take place on Thursday and he asked Council if they had any issues they would like discussed to get with him prior to Thursday.

**Adjournment:** Mayor Houck called for any further discussion, and hearing none, adjourned the meeting at 8:25 P.M.

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Mayor

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City Clerk